



September 30, 2015

The Honorable Sylvia Mathews Burwell
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Secretary Burwell:

On behalf of the Michigan League for Public Policy, I am writing to express our strong support for the Healthy Michigan Plan (HMP) and for its continuation after April 30, 2016. Michigan's Medicaid expansion, the Healthy Michigan Plan, continues its unprecedented success with about 600,000 low-income individuals enrolled and receiving care. For the first time, many of these newly insured individuals can take control of their health by obtaining needed treatment and medications. It would be a tragedy to eliminate this program which provides comprehensive, affordable, quality coverage and has already accomplished untold good in the lives of thousands of Michigan residents since its implementation 18 months ago. This is truly an amazing accomplishment.

The HMP law, however, requires federal approval of a "second waiver" to continue the program after April 30, 2016 for all enrollees, even though only a small subset would be impacted by the provisions of the waiver amendment. In any month, only about 100,000 of the 600,000 enrollees have incomes between 100% and 133% of the federal poverty level (FPL); and only a subset of these enrollees would be impacted by the provisions of the waiver amendment due to cost-sharing exemptions and beneficiaries not being enrolled in the program for 48 cumulative months.

The mandated waiver amendment has been submitted to CMS by the Michigan Department of Health and Human Services (MDHHS); the **League supports approval of the waiver amendment with protections and safeguards for this low-income population as detailed below.**

We recognize the requirements of the waiver amendment move the state and federal government into uncharted territory, but believe that by working collaboratively together, state and federal officials can develop consumer protections as was done in the first waiver terms and conditions, where it was specified, for example, that enrollee coverage could not be terminated for non-payment of cost-sharing.

We are concerned about the increase in cost-sharing required in the waiver amendment for those between 100% and 133% of the federal poverty level as research demonstrates cost-sharing for low-income populations can provide obstacles to obtaining needed care. We recommend that a **hardship exemption** be included in the terms and conditions to ensure continuing access to needed services. The exemption process and form approved for Iowa provides a good model. Another option to offset the increase in the income-based payment from 2% to 3.5% of family income that could be specified in the terms and conditions is an increase in the Healthy Behaviors incentives. This would strengthen the Department's proposal to expand healthy behavior activities. Michigan enrollees have demonstrated a great interest in improving their health through their healthy behavior choices and increased incentives would recognize the positive impacts of these choices.

We support the comprehensive benefits package included in the Healthy Michigan Plan and are pleased that this package will continue for "all beneficiaries covered by Option 1 and Option 2."

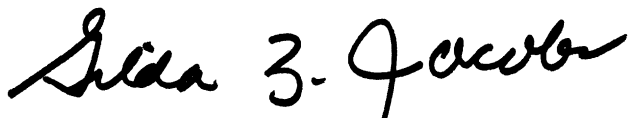
We also recommend clarification be specified in the terms and conditions that allows individuals who enroll in Marketplace plans to return to HMP at any time they determine the options and benefits of the Marketplace do not meet their needs since Medicaid has ongoing open enrollment, not specific enrollment periods.

Another clarification we would recommend be included in the terms and conditions is that for a family or individual to meet the conditions of the waiver amendment, in each of the 48 cumulative months of enrollment, the family/individual income must exceed 100% of the federal poverty level. With fluctuating incomes, families may experience incomes just above or just below the poverty level. This clarification would provide protections for enrollees with incomes fluctuating around the poverty line.

The League and the MDHHS have worked cooperatively on the implementation of the HMP and pledge to continue to do so to ensure comprehensive, quality, accessible, affordable coverage is available to Michigan's low-income residents.

We are pleased to have the opportunity to comment on and support this very successful program, and **strongly support your approval** of this critical waiver amendment **with the beneficiary protections and safeguards** included in this letter.

Sincerely,

A handwritten signature in black ink that reads "Gilda Z. Jacobs". The signature is fluid and cursive, with the first name "Gilda" being the most prominent part.

Gilda Z. Jacobs
President & CEO